

**NEW HOPE COMMUNITY  
DEVELOPMENT CORPORATION**

**FINANCIAL STATEMENTS**

**Year Ended December 31, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5/25/11

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# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009  
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## ACCOUNTANT'S COMPILATION REPORT

Board of Directors of  
New Hope Community Development Corporation  
Kenner, Louisiana 70062

We have compiled the accompanying Statement of Financial Position of New Hope Community Development Corporation (a nonprofit "Organization") as of October 31, 2008, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*Rebowe & Company*

January 3, 2011

## **FINANCIAL STATEMENTS**

**NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2008**

**ASSETS**

Current Assets:	
Cash and Cash Equivalents	\$ 119,384
Total Current Assets	<u>119,384</u>
Total Assets	<u><u>\$ 119,384</u></u>

**LIABILITIES AND NET ASSETS**

Current Liabilities:	
Payroll Taxes Payable	\$ 9,493
Accounts Payable - Affiliate	<u>68,212</u>
Total Current Liabilities	<u>77,705</u>
Total Liabilities	<u>77,705</u>
Net Assets:	
Unrestricted	<u>41,679</u>
Total Net Assets	<u>41,679</u>
Total Liabilities and Net Assets	<u><u>\$ 119,384</u></u>

See accompanying notes and accountant's report.

**NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2008**

Unrestricted Net Assets:	
Revenue and Support:	
State Grant Revenue	\$ 105,020
Foundation Grant Revenue	26,677
Donations	<u>29,892</u>
Total Unrestricted Revenue	<u>161,589</u>
Expenses:	
Program Services	160,440
Management and General	<u>17,403</u>
Total Expenses	<u>177,843</u>
Decrease in Unrestricted Net Assets	<u>(16,254)</u>
DECREASE IN NET ASSETS	(16,254)
NET ASSETS, Beginning of Year	<u>57,933</u>
NET ASSETS, End of Year	<u><u>\$ 41,679</u></u>

See accompanying notes and accountant's report.

**NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended December 31, 2008**

	Program Services	Supporting Services Management and General	Total Expenses
Payroll and Payroll Taxes	\$ 98,014	\$ 11,896	109,910
Administrative Costs - Freedom School	13,500	-	13,500
Training	8,730	970	9,700
Rent Expense	8,640	960	9,600
Supplies	8,208	912	9,120
Meals Expense	7,594	844	8,438
Summer Camp Expense	7,303	812	8,115
Travel and Transportation	4,299	478	4,777
Professional Services	3,005	334	3,339
Program Operating Expense - Other	486	54	540
Landscaping Expense	337	38	375
Janitorial Expense	324	36	360
Bank Charges and Fees	-	69	69
Total Expenses	<u>\$ 160,440</u>	<u>\$ 17,403</u>	<u>\$ 177,843</u>

See accompanying notes and accountant's report.

**NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2008**

Cash Flows From Operating Activities:	
Decrease in net assets	\$ (16,254)
Adjustments to reconcile decrease in net assets	
to cash used in operating activities:	
Decrease in Accounts Receivable - Affiliate	23,624
Increase in Payroll Taxes Payable	1,006
Increase in Note Payable - Affiliate	<u>68,212</u>
Net Cash Provided by Operating Activities	<u>76,588</u>
NET INCREASE IN CASH	76,588
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>42,796</u>
CASH AND CASH EQUIVALENTS - End of Year	<u><u>\$ 119,384</u></u>

See accompanying notes and accountant's report.



**NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

New Hope Community Development Corporation (the "Organization") is a non-profit organization located in Kenner, Louisiana. The Organization's mission is to improve the quality of life in communities by strengthening and empowering people through social, educational and economic development programs. The Organization's educational component programs provide quality out-of-school time enrichment for children and youth ages five through eighteen that boosts motivation to read, develops positive attitude toward learning, cultivates self esteem, and connects the needs of families to local resources

**Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic 958, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

**Property and Equipment**

The Organization capitalizes all expenditures for property and equipment in excess of \$100. Property and equipment is recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using a straight-line method over the estimated useful lives of the assets.

**Investments**

Under FASB ASC Topic 958, *Financial Statements of Not-for-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted

**NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net assets classes. When a temporary restriction expires, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Income Taxes**

The Organization is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent Events**

Subsequent events have been evaluated through January 3, 2011.

**NOTE 2 - ACCOUNTS PAYABLE - AFFILIATE**

The Organization has a note payable to an affiliate organization. There are no terms of repayment or stated interest rate. The balance of the note payable as of December 31, 2008 recorded on the Statement of Financial Position is \$68,212.

**NOTE 3 - FUNCTIONAL ALLOCATIONS OF EXPENSES**

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

**NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 2008**

**NOTE 4 - RELATED PARTY TRANSACTIONS**

The Organization rents space from an affiliate organization. The affiliated organization shares common management and board members with the Organization. There is no written agreement and payments are made on a periodic basis. The total amount of rent expense for the year ended December 31, 2008 was \$9,600.

**NOTE 5 - CONCENTRATIONS**

The majority of the Organization's revenues for the year ended December 31, 2008 was derived from a grant from the State of Louisiana and contributions from local organizations and individuals in the New Orleans area.

**NOTE 6 - UNPAID PAYROLL TAXES**

Unpaid payroll taxes (including penalties and interest) for the year ended December 31, 2008 are estimated to be \$9,493. This amount is classified on the Statement of Financial Position as Payroll Taxes Payable. The total amount was paid on January 3, 2011.

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April 27, 2011

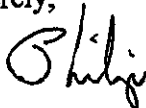
Rev. Mark B. Mitchell  
Executive Director  
New Hope Community Development Corporation  
2751 Gadsden St.  
Kenner, LA 70062

Dear Rev. Mitchell:

In accordance with Louisiana Revised Statute 24:513, for the years ended December 31, 2007 and 2008, New Hope Community Development Corporation is required to submit financial statements compiled by a licensed certified public accountant to the Louisiana Legislative Auditor. The compiled financial statements are required to be filed with the Louisiana Legislative Auditor no later than six (6) months following the end of New Hope's fiscal year. The compiled financial statements filed with the Louisiana Legislative Auditor were not filed in a timely manner and therefore New Hope's compiled financial statements for the years ended December 31, 2007 and 2008 are delinquent.

The compiled financial statements were filed with the Louisiana Legislative Auditor on April 27, 2011.

Sincerely,



Philip W. Rebowe, CPA, CFE, CFSA